

knowledge of specialized subjects, such as the operation and maintenance of building mechanical systems, enhancing property values, insurance and risk management, personnel management, business and real estate law, tenant relations, communications, and accounting and financial concepts. Managers also participate in these programs to prepare themselves for positions of greater responsibility in property management. Completion of these programs, together with related job experience and a satisfactory score on a written examination, leads to certification, or the formal award of a professional designation, by the sponsoring association. In addition to these qualifications, some associations require their members to adhere to a specific code of ethics. Some of the organizations offering such programs are listed at the end of this statement.

Managers of public housing subsidized by the Federal Government are required to be certified, but many property managers, who work with all types of property, choose to earn a professional designation voluntarily because it represents formal industry recognition of their achievements and status in the occupation. Real estate asset managers who buy or sell property are required to be licensed by the State in which they practice.

Job Outlook

Employment of property, real estate, and community association managers is projected to increase as fast as the average for all occupations through the year 2008. Many job openings are expected to occur as property managers transfer to other occupations or leave the labor force. Opportunities should be best for those with a college degree in business administration, real estate, or a related field; as well as those who attain a professional designation.

Growth in the demand for on-site property managers will be greatest in several areas. In commercial real estate, the demand for managers is expected to accompany the projected expansion in wholesale and retail trade; finance, insurance, and real estate; and services. Some additional employment growth will come from expansion of existing buildings.

An increase in the Nation's stock of apartments and houses also should require more property managers. Developments of new homes are increasingly being organized with community or homeowner associations that provide community services and oversee jointly owned common areas, requiring professional management. To help properties become more profitable, more commercial and multi-unit residential property owners are expected to place their investments in the hands of professional managers.

Growth in demand should also arise as a result of the changing demographic composition of the population. The number of older people will increase during the projection period, creating a need for various types of suitable housing, such as assisted living arrangements and retirement communities. Accordingly, there will be a need for property managers to operate these facilities, especially those who have a background in the operation and administrative aspects of running a health unit.

Earnings

Median annual earnings of salaried property, real estate, and community association managers were \$29,930 in 1998. The middle 50 percent earned between \$21,020 and \$43,080 a year. The lowest 10 percent earned less than \$14,570 and the highest 10 percent earned more than \$74,500 a year. Median annual earnings of salaried property, real estate, and community association managers in 1997 were \$29,700 in the real estate agents and managers industry and \$26,900 in the real estate operators and lessors industry.

Many resident apartment managers receive the use of an apartment as part of their compensation package. Property managers often are given the use of a company automobile, and managers employed in land development often receive a small percentage of ownership in projects they develop.

Related Occupations

Property managers plan, organize, staff, and manage the real estate operations of businesses. Workers who perform similar functions in other fields include city managers, education administrators, facilities managers, health services managers, hotel managers and assistants, real estate agents and brokers, and restaurant and food service managers.

Sources of Additional Information

General information about education and careers in property management is available from:

- ☛ Institute of Real Estate Management, 430 N. Michigan Ave., Chicago, IL 60611. Internet: <http://www.irem.org>
- ☛ International Council of Shopping Centers, 665 5th Ave., New York, NY 10022. Internet: <http://www.icsc.org>

For information on careers and certification programs in commercial property management, contact:

- ☛ Building Owners and Managers Association International, 1201 New York Ave. NW., Suite 300, Washington, DC 20005.

Internet: <http://www.boma.org>

- ☛ Building Owners and Managers Institute, 1521 Ritchie Hwy., Arnold, MD 21012. Internet: <http://www.bomi-edu.org>

For information on careers and certification programs in residential property management, contact:

- ☛ Community Associations Institute, 1630 Duke St., Alexandria, VA 22314. Internet: <http://www.caionline.org>

- ☛ National Apartment Association, 201 N. Union St., Suite 200, Alexandria, VA 22314. Internet: <http://www.naahq.org>

- ☛ National Association of Residential Property Managers, 6300 Dutchmans Pkwy., Louisville, KY 40205.

Internet: <http://www.narpm.org>

Purchasing Managers, Buyers, and Purchasing Agents

(O*NET 13008, 21302, 21305A, 21308A)

Significant Points

- Computerization has reduced the demand for lower-level buyers.
- About one-half were employed in wholesale trade or manufacturing establishments.

Nature of the Work

Purchasing managers, buyers, and purchasing agents seek to obtain the highest quality merchandise at the lowest possible purchase cost for their employers. In general, *purchasers* buy goods and services for their company or organization, whereas some *buyers* buy items for resale. They determine which commodities or services are best, choose the suppliers of the product or service, negotiate the lowest price, and award contracts that ensure the correct amount of the product or service is received at the appropriate time. In order to accomplish these tasks successfully, purchasing managers, buyers, and purchasing agents study sales records and inventory levels of current stock, identify foreign and domestic suppliers, and keep abreast of changes affecting both the supply of and demand for products and materials for which they are responsible.

Purchasing managers, buyers, and purchasing agents evaluate suppliers based upon price, quality, service support, availability, reliability, and selection. To assist them in their search, they review catalogs, industry periodicals, directories, trade journals, and Internet sites. They research the reputation and history of the suppliers and may advertise anticipated purchase actions in order to solicit bids. At meetings, trade shows, conferences, and visits to suppliers' plants and distribution centers, they examine products and services, assess a supplier's production and distribution capabilities, and discuss

other technical and business considerations that influence the purchasing decision. Once all the necessary information on suppliers is gathered, orders are placed and contracts are awarded to those suppliers who meet the purchasers' needs. Other specific job duties and responsibilities vary by employer and by the type of commodities or services to be purchased.

Purchasing professionals employed by government agencies or manufacturing firms are usually called purchasing directors, managers, or agents; buyers or industrial buyers; or contract specialists. These workers acquire product materials, intermediate goods, machines, supplies, services, and other materials used in the production of a final product. Some purchasing managers specialize in negotiating and supervising supply contracts and are called contract or supply managers. Purchasing agents and managers obtain items ranging from raw materials, fabricated parts, machinery, and office supplies to construction services and airline tickets. The flow of work—or even the entire production process—can be slowed or halted if the right materials, supplies, or equipment are not on hand when needed. To be effective, purchasing professionals must have a working technical knowledge of the goods or services to be purchased.

In large industrial organizations, a distinction often is drawn between the work of a buyer or purchasing agent and that of a purchasing manager. Purchasing agents and buyers commonly focus on routine purchasing tasks, often specializing in a commodity or group of related commodities—for example, steel, lumber, cotton, grains, fabricated metal products, or petroleum products. The purchaser usually tracks things such as market conditions, price trends, or futures markets. Purchasing managers usually handle the more complex or critical purchases and may supervise a group of purchasing agents handling other goods and services. Whether a person is titled purchasing manager, buyer, or purchasing agent depends more on specific industry and employer practices than on specific job duties.

Changing business practices have altered the traditional roles of purchasing professionals in many industries. For example, manufacturing companies increasingly involve purchasing professionals at most stages of product development because of their ability to forecast a part's or material's cost, availability, and suitability for its intended purpose. Furthermore, potential problems with the supply of materials may be avoided by consulting the purchasing department in the early stages of product design.

Businesses might also enter into integrated supply contracts. These contracts increase the importance of supplier selection because agreements are larger in scope and longer in duration. Integrated supply incorporates all members of the supply chain including the supplier, transportation companies, and the retailer. A major responsibility of most purchasers is to work out problems that may occur with a supplier because the success of the relationship affects the buying firm's performance.

Purchasing professionals often work closely with other employees in their own organization when deciding on purchases, an arrangement sometimes called team buying. For example, they may discuss the design of custom-made products with company design engineers, quality problems in purchased goods with quality assurance engineers and production supervisors, or shipment problems with managers in the receiving department before submitting an order.

Contract specialists and managers in various levels of government award contracts for an array of items, including office and building supplies, services for the public, and construction projects. They may use sealed bids, but usually use negotiated agreements for complex items. Increasingly, purchasing professionals in government are placing solicitations for and accepting bids and offers through the Internet. Government purchasing agents and managers must follow strict laws and regulations in their work. These legal requirements occasionally are changed, so agents and contract specialists must stay informed about the latest regulations.

Other professionals, who buy finished goods for resale, are employed by wholesale and retail establishments where they commonly



Purchasing managers study various financial reports to determine the best price.

are referred to as “buyers” or “merchandise managers.” Wholesale and retail buyers are an integral part of a complex system of distribution and merchandising that caters to the vast array of consumer needs and desires. Wholesale buyers purchase goods directly from manufacturers or from other wholesale firms for resale to retail firms, commercial establishments, institutions, and other organizations. In retail firms, buyers purchase goods from wholesale firms or directly from manufacturers for resale to the public. Buyers largely determine which products their establishment will sell. Therefore, it is essential that they have the ability to accurately predict what will appeal to consumers. They must constantly stay informed of the latest trends because failure to do so could jeopardize profits and the reputation of their company. Buyers also follow ads in newspapers and other media to check competitors' sales activities and watch general economic conditions to anticipate consumer buying patterns. Buyers working for large and medium-sized firms usually specialize in acquiring one or two lines of merchandise, whereas buyers working for small stores may purchase their complete inventory.

The use of private-label merchandise and the consolidation of buying departments have increased the responsibilities of retail buyers. Private-label merchandise, produced for a particular retailer, requires buyers to work closely with vendors to develop and obtain the desired product. The downsizing and consolidation of buying departments is also increasing the demands placed on buyers because, although the amount of work remains unchanged, there are fewer people to accomplish it. The result is an increase in the workloads and levels of responsibility.

Many merchandise managers assist in the planning and implementation of sales promotion programs. Working with merchandising executives, they determine the nature of the sale and purchase accordingly. They also work with advertising personnel to create the ad campaign. For example, they may determine the media in which the advertisement will be placed—newspapers, direct mail, television, or some combination of these. In addition, merchandising managers often visit the selling floor to ensure that the goods are properly displayed. Often, assistant buyers are responsible for placing orders and checking shipments.

Computers are having a major effect on the jobs of purchasing managers, buyers and purchasing agents. In manufacturing and service industries, computers handle most of the more routine tasks—enabling purchasing professionals to concentrate mainly on the analytical aspects of the job. Computers are used to obtain instant and accurate product and price listings, to track inventory levels, process routine orders, and help determine when to make purchases. Computers also maintain lists of bidders and offers, record the history of supplier performance, and issue purchase orders.

Computerized systems have dramatically simplified many of the routine acquisition functions and improved the efficiency of determining which products are selling. For example, cash registers connected to computers, known as point-of-sale terminals, allow organizations to maintain centralized, up-to-date sales and inventory records. This information can then be used to produce weekly sales reports that reflect the types of products in demand. Buyers also use computers to gain instant access to the specifications for thousands of commodities, inventory records, and their customers' purchase records. Some firms are linked with manufacturers or wholesalers by electronic purchasing systems, the Internet, or extranets. These systems improve the speed for selection and ordering and provide information on availability and shipment, allowing buyers to better concentrate on the selection of goods and suppliers.

Working Conditions

Most purchasing managers, buyers, and purchasing agents work in comfortable, well-lighted offices. They frequently work more than the standard 40-hour week because of special sales, conferences, or production deadlines. Evening and weekend work is also common. For those working in retail trade, this is especially true prior to holiday seasons. Consequently, many retail firms discourage the use of vacation time from late November until early January.

Buyers and merchandise managers often work under great pressure because wholesale and retail stores are so competitive; buyers need physical stamina to keep up with the fast-paced nature of their work.

Many purchasing managers, buyers, and purchasing agents travel at least several days a month. Purchasers for worldwide manufacturing companies and large retailers, and buyers of high fashion, may travel outside the United States.

Employment

Purchasing managers, buyers, and purchasing agents held about 547,000 jobs in 1998. About one-half worked in wholesale trade or manufacturing establishments such as distribution centers or factories, and another one-fifth worked in retail trade establishments such as grocery or department stores. The remainder worked mostly in service establishments or different levels of government. A small number were self-employed.

Training, Other Qualifications, and Advancement

Qualified persons usually begin as trainees, purchasing clerks, expeditors, junior buyers, or assistant buyers. Retail and wholesale firms prefer to hire applicants who are familiar with the merchandise they sell as well as with wholesaling and retailing practices. Some retail firms promote qualified employees to assistant buyer positions; others recruit and train college graduates as assistant buyers. Most employers use a combination of methods.

Educational requirements tend to vary with the size of the organization. Large stores and distributors, especially those in wholesale

and retail trade, prefer applicants who have completed a bachelor's degree program with a business emphasis. Many manufacturing firms tend to put a greater emphasis on formal training. They prefer applicants with a bachelor's or master's degree in business, economics, or technical training such as engineering or one of the applied sciences.

Regardless of academic preparation, new employees must learn the specifics of their employers' business. Training periods vary in length, with most lasting 1 to 5 years. In wholesale and retail establishments, most trainees begin by selling merchandise, supervising sales workers, checking invoices on material received, and keeping track of stock on hand, although widespread use of computers has simplified many of these tasks. As they progress, retail trainees are given increased buying-related responsibilities.

In manufacturing, new purchasing employees often are enrolled in company training programs and spend a considerable amount of time learning about company operations and purchasing practices. They work with experienced purchasers to learn about commodities, prices, suppliers, and markets. In addition, they may be assigned to the production planning department to learn about the material requirements system and the inventory system the company uses to keep production and replenishment functions working smoothly.

Purchasing managers, buyers, and purchasing agents must be computer literate, including knowing how to use word processing and spreadsheet software. Other important qualities include the ability to analyze technical data in suppliers' proposals; good communication, negotiation, and math skills; knowledge of supply chain management; and the ability to perform financial analyses.

Persons who wish to become wholesale or retail buyers should be good at planning and decision making and have an interest in merchandising. Anticipating consumer preferences and ensuring that goods are in stock when they are needed require resourcefulness, good judgment, and self-confidence. Buyers must be able to make decisions quickly and take risks. Marketing skills and the ability to identify products that will sell are also very important. Employers often look for leadership ability because buyers spend a large portion of their time supervising assistant buyers and dealing with manufacturers' representatives and store executives.

Experienced buyers may advance by moving to a department that manages a larger volume or by becoming a merchandise manager. Others may go to work in sales for a manufacturer or wholesaler.

An experienced purchasing agent or buyer may become an assistant purchasing manager in charge of a group of purchasing professionals before advancing to purchasing manager, supply manager, or director of materials management. At the top levels, duties may overlap with other management functions such as production, planning, or marketing.

Regardless of industry, continuing education is essential for advancement. Many purchasers participate in seminars offered by professional societies and take college courses in purchasing. Although no national standard exists, professional certification is becoming increasingly important.

In private industry, recognized marks of experience and professional competence are the designations Accredited Purchasing Practitioner (A.P.P.) and Certified Purchasing Manager (C.P.M.), conferred by the National Association of Purchasing Management, and Certified Purchasing Professional (C.P.P.), conferred by the American Purchasing Society. In Federal, State, and local government, the indications of professional competence are Certified Professional Public Buyer (C.P.P.B.) and Certified Public Purchasing Officer (C.P.P.O.), conferred by the National Institute of Governmental Purchasing.

Most of these are awarded only after work-related experience and education requirements are met, and written or oral exams are completed successfully.

Job Outlook

Employment of purchasing managers, buyers, and purchasing agents is expected to grow more slowly than average through the year 2008. Demand for these workers will not keep up with the rising level of economic activity because the increasing use of computers has allowed

much of the paperwork typically involved in ordering and procuring supplies to be eliminated, reducing the demand for lower-level buyers who perform these duties. Also, limited sourcing and long-term contracting have allowed companies to negotiate with fewer suppliers less frequently. Consequently, most job openings will result from the need to replace workers who transfer to other occupations or leave the labor force.

In retail trade, mergers and acquisitions have forced the consolidation of buying departments, eliminating jobs. In addition, larger retail stores are removing their buying departments from geographic markets and centralizing them at their headquarters, eliminating more jobs.

The increased use of credit cards by some employees to purchase supplies without using the services of the procurement or purchasing office, combined with the growing number of buys being made electronically, will restrict demand for purchasing agents within governments and many manufacturing firms.

Persons who have a bachelor's degree in business should have the best chance of obtaining a buyer job in wholesale or retail trade or within government. A bachelor's degree, combined with industry experience and knowledge of a technical field, will be an advantage for those interested in working for a manufacturing or industrial company. Government agencies and larger companies usually require a master's degree in business or public administration for top-level purchasing positions.

Earnings

Median annual earnings of purchasing managers were \$41,830 in 1998. The middle 50 percent earned between \$29,930 and \$63,520 a year. The lowest 10 percent earned less than \$22,290 and the highest 10 percent earned more than \$86,740 a year. Median annual earnings in the industries employing the largest number of purchasing managers in 1997 were as follows:

Electrical goods	\$39,300
Professional and commercial equipment	37,700
Machinery, equipment, and supplies	36,400
Department stores	35,500
Grocery stores	25,900

Median annual earnings for purchasing agents, except wholesale, retail, and farm products were \$38,040 in 1998. The middle 50 percent earned between \$29,660 and \$49,660 a year. The lowest 10 percent earned less than \$23,960 and the highest 10 percent earned more than \$74,050 a year. Median annual earnings in the industries employing the largest number of purchasing agents, except wholesale, retail, and farm products in 1997 were as follows:

Federal government	\$47,200
Aircraft and parts	41,100
Electronic components and accessories	36,600
Local government, except education and hospitals	35,300
Hospitals	29,300

Median annual earnings for wholesale and retail buyers, except farm products were \$31,560 in 1998. The middle 50 percent earned between \$23,490 and \$42,920 a year. The lowest 10 percent earned less than \$17,730 and the highest 10 percent earned more than \$66,480 a year. Median annual earnings in the industries employing the largest number of wholesale and retail buyers, except farm products in 1997 were as follows:

Groceries and related products	\$36,200
Machinery, equipment, and supplies	29,300
Professional and commercial equipment	28,800
Grocery stores	25,100
Miscellaneous shopping goods stores	24,700

Purchasing managers, buyers, and purchasing agents receive the same benefits package as their coworkers, including vacations, sick leave, life and health insurance, and pension plans. In addition to standard benefits, retail buyers often earn cash bonuses based on their

performance and may receive discounts on merchandise bought from the employer.

Related Occupations

Workers in other occupations who need a knowledge of marketing and the ability to assess demand are advertising, marketing, and public relations managers; insurance sales agents; manufacturers' and wholesale sales representatives; material recording, scheduling, dispatching, and distributing occupations; retail salespersons; sales engineers; and sales managers.

Sources of Additional Information

Further information about education, training, and/or certification for purchasing careers is available from:

- American Purchasing Society, 430 W. Downer Pl., Aurora, IL 60506. Internet: <http://www.american-purchasing.com>
- National Association of Purchasing Management, P.O. Box 22160, Tempe, AZ 85285-2169. Internet: <http://www.napm.org>
- National Institute of Governmental Purchasing, Inc., 151 Spring St., Herndon, VA 20170. Internet: <http://www.nigp.org>
- Federal Acquisition Institute (MVI), Office of Acquisition Policy, General Services Administration, 1800 F St. NW., Room 4017, Washington, DC 20405. Internet: <http://www.gsa.gov/staff/v/training.htm>

Restaurant and Food Service Managers

(O*NET 15026B)

Significant Points

- Although many experienced food and beverage preparation and service workers are promoted to fill jobs, job opportunities are expected to be best for those with bachelor's or associate degrees in restaurant and institutional food service management.
- Job opportunities should be better for salaried managers than for self-employed managers, as restaurants increasingly affiliate with national chains rather than being independently owned.

Nature of the Work

The daily responsibilities of many restaurant and food service managers can be as complicated as some meals prepared by a fine chef. In addition to the traditional duties of selecting and pricing menu items, using food and other supplies efficiently, and achieving quality in food preparation and service, managers are now responsible for a growing number of administrative and human resource tasks. For example, managers must carefully find and evaluate new ways of recruiting new employees in a tight job market. Once hired, managers must also find creative ways to retain experienced workers.

In most restaurants and institutional food service facilities, the manager is assisted in these duties by one or more assistant managers, depending on the size and operating hours of the establishment. In most large establishments, as well as in many smaller ones, the management team consists of a *general manager*, one or more *assistant managers*, and an *executive chef*. The executive chef is responsible for the operation of the kitchen, while the assistant managers oversee service in the dining room and other areas. In smaller restaurants, the executive chef also may be the general manager, and sometimes an owner. In fast-food restaurants and other food service facilities open for long hours, often 7 days a week, the manager is aided by several assistant managers, each of whom supervises a shift of workers. (For additional information on these other workers, see the *Handbook* statements on general managers and top executives and chefs, cooks, and other kitchen workers.)